



Affordable Housing RFP  
Questions and Answers  
November 16, 2018

Question 1: Do you have a budget, or a price range, for this project?

Answer 1: County Council has asked us to go out to bid to determine how much something like this will cost. Therefore, no dollar amount has been pre-established. However, price is a determining factor in both the ranking and the ultimate decision for Council to move forward.

Question 2. Under II. Scope/Examination of Data: please clarify what is meant by an "economic feasibility of inclusionary zoning?"

Answer 2: What we meant here was – how will inclusionary zoning impact local real estate developers? What options could we present that would not significantly impact their rate of return? We would like to analyze and determine the feasibility of a mandatory inclusionary zoning policy versus a voluntary approach given current land and construction costs within Sussex County. Also, we would like to analyze and determine if density bonuses are appropriate incentives and, if so, what bonus is needed to support a mandatory or voluntary policy?

Question 3. Under II. Scope/Examination of Data: for #3 and #4 market demand includes "market rate housing". However, for #5 and #6, market supply only refers to "affordable housing." Is this correct, or should market rate housing be added as well?

Answer 3: No, this is specific to the supply of affordable housing. This should take into account any inventory that currently exists or is in the pipeline of affordable housing constructed/provided by LIHTC developers, self-help homeownership units, Habitat for Humanity homes, community land trust units, and any other affordable rental or homeownership units.

Question 4. For the Project Timeline, if the contract start date is December 1, it would be difficult to provide the Market Study in December as this task typically requires about 6 weeks to complete. Given that this time frame includes major holidays, would you be open to the Market Study being provided by the end of January (or about 8 weeks after the contract start date)?

Answer 4: The timeline is one that was simply proposed to ensure that the project stays on track. Please feel free to propose one that make sense for your organization. Our Council is eager to move forward with this project, and we only wanted to ensure that it would not take an extensive time period to complete (i.e. a year).



Question 5: There were lots of references to program and policy outcomes. What research has been done to date that is pushing you towards inclusionary zoning policies?

Answer 5: The County currently has two affordable housing programs: The Moderately Priced Housing Unit (MPHU) Program and the Sussex County Rental Program (SCRIP). Both programs are voluntary. MPHU was approved in 2006, with additional amendments in 2007 and 2013. The program offers a bonus density of up to 30 percent and an expedited review through the County's planning & zoning process in exchange for a set-aside of 15 percent of homeownership units for households between 50 and 125 percent of the Area Median Income (AMI) for Sussex County. There were initially six projects approved for participation in 2008. Shortly after, the market crashed, and all projects collapsed, foreclosed, or lost financing. To date, there are no active projects and no units constructed under this program.

SCRIP was first approved in 2008 and amended in 2016. The program offers a bonus density of 20 percent and expedited review through the County's planning & zoning process in exchange for a set-aside of 12.5 percent of units for tenant households between 30 and 80 percent of AMI. There was one initial project for this program in 2009, but the market crash affected this project as well. To date, there are no active projects and no units constructed under this program.

Sussex County is the fastest growing county in the State. Full-time and seasonal residents continue moving to Sussex County to take advantage of the low real estate taxes and high quality of life. This influx has fueled prosperity in the County's real estate market, hospitality industry, and related economic sectors. However, most housing, particularly on the eastern side of the County, is new and often unaffordable to low-income families, entry-level workers, or recent college graduates.

The strong demand for housing has driven home prices and apartment rentals up compared to previous years. Sussex County's low- to moderate-income households are hit hardest by these price increases due to the disparity between the slower rise in housing incomes as compared to increases in the overall cost of living, especially the cost of housing. The shortage of affordable housing remains a very real problem for low to moderate income households in Sussex County, including many with full-time, year-round jobs.

The County is at the final stages of a two-year Comprehensive Plan update that included significant public input. There was an overwhelming demand for more affordable housing -homeownership and rental - in Sussex County to assist those that are unable to live near their workplace, particularly on the eastern side of the County.

Since the two programs in existence are not working or producing units – we need to know why they aren't working in the context of the Sussex County housing market and how they should be improved based on market context. Also, what other methods besides inclusionary zoning could be utilized to increase the affordable stock and creation in the County?

Question 6: The RFP discusses a potential adjustment to affordable housing percentages - what does that mean?

Question 6: This references our existing set-aside percentages for the homeownership and rental programs. Do they make sense? If not, what new percentages would the market data support?

Question 7: Would you accept a different proposed timeline/deadline from what is outlined in the RFP?

Answer 10: The timeline is one that was simply proposed to ensure that the project stays on track. Please feel free to propose one that make sense for your organization. Our Council is eager to move forward with this project, and we only wanted to ensure that it would not take an extensive time period to complete (i.e. a year).

Question 8: The RFP identified input from stakeholders. Would the County help to identify stakeholders and provide contact information?

Answer 8: Definitely.

Question 9: The RFP indicated that some stakeholders may have speak English as a second language. Are those stakeholders of reference predominately Spanish-speaking?

Answer 9: Yes, but there are additional populations in the County that speak English as their second language.

Question 10: The State is working on a new Analysis of Impediments to Fair Housing Choice. Is it possible to coordinate data sharing?

Answer 11: The Entitlement Jurisdictions have recently issued an RFP for the Analysis of Impediments. I'm not sure how the timing will work out in terms of data collection and research, but there are already commitments in place to share data.

Question 12: In what format are the RFP deliverables expected?

Answer 12: The County most certainly expects a full written report with visuals, but also expects an in-person presentation to the Sussex County Council.

Question 13: Will the Affordable Housing Analysis connect with the pending comprehensive plan for Sussex County?

Answer 13: Yes, that is the goal. The Comprehensive Plan is in its final stages of approval right now, and this RFP is a direct result of public input and demand for more affordable housing in Sussex County.

Question 14: Has an Affordable Housing Analysis for Sussex County been done in the past? Is there an incumbent or consultant?

Answer 14: No.

Question 15: Is the purpose of the online survey (described in Section III, part 2 on page 8) to capture stakeholder and focus group inputs into the Affordable Housing Analysis or feedback about the Housing Analysis or both?

Answer 15: The intent of the survey was to aid the analysis. It would be equally beneficial to obtain feedback from the analysis as well.

Question 16: Does the County collect/maintain data on rental occupancy, rents, vacancy rates? If so, is it month-to-month or less than month-to-month? If the County does collect/maintain this data, would that private county data be made available to the contractor for the purposes of conducting a more holistic analysis?

Answer 16: No.

Question 17: Will final market analysis and reports be made available to the public or for county internal use only?

Answer 17: Reports will absolutely be made available to the public but will be primarily used internally to guide policy decisions related to the affordable housing programs.